

## Building United States of Europe

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is a great scarcity in Washington, and of which there has been a great scarcity for 22 years, can lead to only one conclusion, and that is that we cannot compete without a lower American standard of living. I do not agree that the automobile industry is immune from such competition. Mr. Ford, who is a leading freetrader, has 26 assembly and manufacturing plants located in other countries, and even now he is importing to New York from abroad a Ford car which is to (undersell the American-made Ford.)

"I say that laborers in the automobile manufacturing industry in this country can be driven out of their jobs. All that is necessary to have effective competition is to have in a foreign country the same kind of machinery and the same know-how. They do have the same know-how in foreign countries, because top mechanics and other skilled personnel are sent from this country to supervise low-cost labor in foreign countries. All that is needed is the labor, the know-how, and the machinery . . . I hear much loose talk to the effect that with our know-how and our machinery, we can outproduce any other nation. Our machinery and our know-how are available to every nation on earth. The last plant sent to a foreign country is the best plant in existence, no matter in which country it may be used, because it is the latest one manufactured.

"As a matter of fact, the American taxpayers pay for it all . . . The very best engineers in the particular business specified are sent to those countries, as are the best technicians and machinists. It takes about 5 or 10 per cent of supervisory labor to oversee low-cost labor, and that can be done in any foreign country. Since labor cost is lower, the manufactured product can be sold for less than a similar product manufactured in this country."

Senator Malone was arguing against GATT, officially known as the General Agreement on Tariffs and Trade. His arguments were not heeded, and as one of the results, many of the once prosperous industries of America have virtually ceased to exist.

Since American labor cannot compete, the industrialists, following the practice of Ford, have simply transferred their plants and facilities to foreign countries. But the situation would be even better for these internationalist tycoons if they could simply move their labor forces from one spot to another, bringing in cheap labor where plants of resources already exist — and if they could eliminate the nuisances of national trade barriers and protective tariffs!

One of the first steps to be taken in the formation of an absolute and unchallengeable World Government has to do with the confederation of the 17 existing countries of Europe (including Britain) into one United States of Europe. And toward the furtherance of this objective, Standard Oil of New Jersey has recently taken a giant step, in the form of a major propaganda effort among its employees and stockholders.

The Lamp is the name of Jersey Standard's sleek, multicolored house organ. Its issue of Spring 1971 is dedicated to "Building the New Europe." Jersey Standard Chairman, J. K. Jameson, explains "why" in a special letter which appears on page 1 of the publication:

"It is fitting that this special issue of The Lamp should be devoted to the Europe of the nineteen seventies, for a remarkable drama is taking place there.

"Originally the pacesetters in trade, industry, and finance, the countries of Europe have experienced a remarkable resurgence since World War II. With the international petroleum industry playing an important supporting role, they are becoming ever stronger economic entities. At the same time, divisive factors notwithstanding, they are moving in the direction of social, economic and political integration. . . .

"In his article on page two, Norman Macrae of The Economist writes perceptive-



PAUL HENRI SPAAK, former Belgian premier and socialist schemer for one-world through *Union Now*, Marxist representative at Common Market. WINSTON CHURCHILL, notorious one-worler who once said: "I am a Zionist from the beginning," sold out to Israel and at his death was mourned by Jews the world over. Churchill once said to Roosevelt: "I am half American and the natural person to work with you. Were I to become Prime Minister of Britain, we could control the world." PRINCE CONSORT BERNHARD, of the Netherlands, chief organizer and, since its inception, chairman of the Bilderbergers. It is believed his financial power comes from interlocking groups headed by Viscount Bearsted of London, England.

ly of the mood of Europe as it enters the last three decades of this century. Many countries have lost empires since 1900, he notes, but their mood is one of assurance in rediscovering a role for themselves on their own continent.

"Jersey Standard has been part of the European scene for the better part of a century. Anglo-American Oil Company, Limited, was organized in 1888 to market kerosene and paraffin from horsedrawn conveyances on the cobblestones of London. Two years later Jersey established itself on the continent with the future Esso Germany.

"In the years since Esso companies have become major suppliers of oil to Europe and, in recent times, of natural gas and chemicals as well. They function in all the countries of Western Europe, and their operations represent gross investment of about four billion dollars. Esso Europe now sells more than two billion barrels of petroleum products a day in Europe, well over one-third of Jersey's total worldwide sales!

"Implicitly or directly, the articles on the following pages are concerned with building the new Europe . . . . Unfortunately, Europe's indigenous reserves of energy are limited, especially petroleum to which it will chiefly look for many years to come to fuel its expanding economy . . . . To maintain secure supplies for the countries of Europe, companies like Jersey's Esso affiliates have had to invest enormous sums in tankers, refineries, trucks, tank cars, pipelines, barges, storage facilities, and oil stocks. . . .

"One thing is certain . . . and that is the desirability of a strong, independent, increasingly unified Europe which will serve as a constructive force in world affairs in the years to come. Jersey Standard takes pride in the work of its European affiliates and looks forward to their being able to continue to contribute to Europe's economic growth. — J. K. Jameson, Chairman."

(Following are excerpts from the leading article in the Spring 1971 issue of THE LAMP).

### Building The New Europe

A huge thing is happening in Europe. In a star-shaped modern building called the Berlaymont in Brussels a group of founding fathers is hammering out — a bit uncertainly, a bit clumsily, but with rising convictions — what is likely to be the constitution of the coming United States of Europe. There are sober grounds for supposing that this may have as great an effect on the future history of the world as did the creation of the United States of America by those other founding fathers one hundred and ninety years ago. . . .

There is every reason for supposing that in these next thirty years the United States of Europe will be achieving a very large increase in material prosperity; that it will quickly follow the United States of America in attaining the most productive use of industrial resources ever secured by man. It remains to be seen whether Europe will re-

peat some of America's mistakes for the pattern of life in an affluent society.

The kernel of a West European confederation already exists in the six countries now joined in the European Economic Community; in the 190 million people of Germany, France, Italy, Belgium, the Netherlands, and Luxembourg. In the Treaty of Rome, signed in March, 1957, these countries declared their intention of moving during the nineteen sixties to a "common market" in which they would levy no taxes against each other's goods. They achieved this objective slightly ahead of schedule, and now their objective for the nineteen seventies and nineteen eighties is to move toward a full economic and monetary union. Once this union is achieved, member countries have a common currency, a common tax system. . . . pooled foreign exchange reserves, and free movement of capital and labor across their diminishing frontier posts. The free movement of labor — and, indeed, of all inhabitants of the new European Community — is likely to be the clinching point for full political union. Once it becomes the ordinary thing for people in Germany and Britain to move to the Mediterranean when they retire — and for people leaving school or university in France or Italy to consider equally job offers from Paris or Amsterdam or Glasgow or Milan — then some sort of central government will have to be set up for Western Europe . . . . the present community of six will become a community of seventeen before the end of the nineteen eighties, with a population of well over 400 million people. . . .

The economic prospects before Western Europe look almost incredibly good. Although productivity per man in U.S. industry is almost twice that in West European industry, Western Europe has an increasingly well-educated young labor force; and the crucial point is that knowledge, which is transferable between peoples, has become by far the most important world economic resource. The task of observing how the Americans organize their production, and then copying them, is not immensely difficult. In the next thirty years there is every reason to expect that the American managerial revolution will spread across Western Europe and will continue to help raise productivity in the old continent at an accelerating pace.

. . . a main feature of Europe's economic growth in the last decade and a half has been the spread of investment there by big American corporations. These corporations had various managerial, technological, and other advantages. In Europe they saw rising prosperity creating good local markets. They also saw reasonably well-educated labor forces drawing wages below the American average. They therefore came on over, and that is how the multinational company has spread.

Some people foresee a possible check to this American investment in Europe because of nationalistic reactions from the European side. But Europe's fears are likely to diminish as European industry itself moves to a continent-wide scale. The nervousness has been greatest in countries which have felt that, while contained within their own national boundaries, they cannot build up big enough firms to meet American competition.

For example, in the automobile industry in Britain today, there are three firms owned by Ford, General Motors, and Chrysler, plus one English firm, British Leyland. There probably would be British government resistance if an American bid were made for this last British contender, even if British Leyland seemed too small to meet world competition. But once Britain gets into the EEC, it seems highly likely that there will be a tie-up between the British company and some continental motor manufacturer.

Large American multinational firms operating in Europe in the nineteen seventies will probably find themselves competing against an increasing number of large European multinational firms. . . . It is recognized in Germany, Britain and other big

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